



CIRCULAR

STATE OF NEW JERSEY

DEPARTMENT OF THE TREASURY

NO: 11-15-OMB	ORIGINATING AGENCY: OFFICE OF MANAGEMENT AND BUDGET	PAGE 1 OF 5
EFFECTIVE DATE: 04-06-11	EXPIRATION DATE: 12-31-11	SUPERSEDES: 10-17-OMB
SUBJECT: FINANCIAL/PAYROLL YEAR-END GUIDELINES FISCAL YEAR 2011		
ATTENTION: DIRECTORS OF ADMINISTRATION, FISCAL OFFICERS, AND PAYROLL OFFICERS		
FOR INFORMATION CONTACT: CHERYL MARTINEZ		PHONE: (609) 292-4820

This circular contains important year-end information and cutoff dates for the New Jersey Comprehensive Financial System (NJCFs) and Centralized Payroll System. Refer to the Purchase Bureau's fiscal year 2011 cutoff date memorandum for Purchase Bureau year-end information and to the Capital Assets year-end Circular 11-17-OMB for capital asset reporting requirements.

I. PAYROLL INFORMATION

Starting with the regular bi-weekly pay period 14 (June 18, 2011 through July 1, 2011) and supplemental payrolls applicable to fiscal year 2011-2012, the following procedures are in effect:

A. Number of Working Days

1. The number of working days in fiscal year 2011 for twelve-month employees is 261. The number of working days in fiscal year 2012 will also be 261. The bi-weekly gross calculations will not change for the new fiscal year.
2. The number of working days in fiscal year 2011 for employees paid under compensation code three (ten-month payment) is 217. The number of working days in fiscal year 2012 will also be 217. The bi-weekly gross calculations will not change for the new fiscal year.

B. Overlap Pay Period

Pay period 14 (June 18, 2011 through July 1, 2011) affects two fiscal years. The OMB Payroll Section will make the necessary computations with regard to the split, and will furnish a separate advice-of-charge for each fiscal year. The split for a 10-day pay will be nine days charged to fiscal year 2011 and one day charged to fiscal year 2012.

C. Overtime Payments

1. Overtime payments paid on regular pay period 14 will be charged to fiscal year 2011.
2. Overtime payments paid on regular pay period 15 will be charged to fiscal year 2012.

D. Food and Other Maintenance

It shall be the responsibility of the agency payroll officer to change any food and other maintenance deductions on pay period 14 (June 18, 2011 through July 1, 2011) to reflect any revised maintenance amounts that are in effect for fiscal year 2012. Requests for mass changes of food maintenance amounts should be sent to:

Kevin McMullen
Supervisor, Payroll Audit-Centralized Payroll
Office of Management and Budget
P.O. Box 207
Trenton, New Jersey 08625-0207
KEVIN.McMULLEN@treas.state.nj.us

E. Salary Rates

Tables of bi-weekly salary, daily, hourly, and overtime rates, based on 217 and 261 working days for fiscal year 2012, will be available from the Civil Service Commission.

F. Supplemental Payrolls

1. The supplemental pay period "M" will only be charged to fiscal year 2011.
2. The supplemental pay period "N" will accommodate both fiscal years. However, a single supplemental payroll submission cannot be used to reflect charges to more than one fiscal year. Supplemental payroll charges for pay earned through June 30, 2011 shall be submitted on one payroll marked "fiscal year 2011", and charges for pay earned on or after July 1, 2011 shall be submitted on a separate payroll marked "fiscal year 2012."
3. Supplemental payroll charges for pay earned through June 30, 2011 must be marked "fiscal year 2011" and be received in the OMB Payroll Section no later than noon, Monday, July 11, 2011 for payment on supplemental pay period "N" 2011, in order to be charged to fiscal year 2011 appropriation accounts. Deficits created because of this action are the departments' responsibility.
4. Supplemental payroll charges for pay earned on July 1, 2011 must be marked "fiscal year 2012" and be submitted for payment on supplemental pay period "N" 2011 and charged to fiscal year 2012. These Supplemental Payrolls are due no later than noon, Monday, July 11, 2011.
5. Supplemental pay period "N" 2011 is absolutely the last opportunity for agencies to have payroll expenses charged to fiscal year 2011. All supplemental payrolls submitted after noon, July 11, 2011, would be charged to fiscal year 2012.
6. Supplemental payrolls for retroactive payments, sick leave injury, or accrued vacation after retirement or separation cannot be submitted for payment against position numbers that have been abolished in the new fiscal year. These supplemental payrolls must be submitted for supplemental pay period "N" marked "fiscal year 2011," and are due no later than noon, July 11, 2011.

II. NEW JERSEY COMPREHENSIVE FINANCIAL SYSTEM (NJCFS)

Note: Continuing Appropriations - The references below to cutoff dates and pre-encumbrance cancellations do not pertain to continuing appropriations (appropriation type "02").

A. Critical Dates**1. Year-end Cutoff Dates**

The cutoff dates for fiscal year 2011 transactions that may require approval by OMB or the Office of Legislative Services (OLS) are listed below:

<u>TRANSACTION CODE</u>	<u>CUTOFF DATE</u>
TA (OLS approval)	July 8, 2011
AP	July 15, 2011
RB	July 15, 2011
TA	July 15, 2011

2. NJCFS Key Dates

- | | |
|--|---|
| April 11, 2011
to
April 15, 2011 | a) Fiscal year 2012 original appropriations are established in NJCFS.
b) EXPB records will be created with zero balances in fiscal year 2012 for all records that have a balance in fiscal year 2011 and a corresponding fiscal year 2012 appropriation record. A balance is considered a pre-encumbrance, encumbrance, or expenditure. |
| April 12, 2011
to
May 2, 2011 | a) REVB records will be created in fiscal year 2012.
b) NJCFS is opened for limited fiscal year 2012 activity based on the original appropriations, exclusive of expenditures or revenue. |
| April 18, 2011
to
April 29, 2011 | a) Estimated receipt amounts are established on appropriation and revenue budget records for appropriation sources 3XX and 4XX. |
| June 30, 2011 | a) Year-end program will run against trust and bond funds (funds 5XX and 7XX). Free balances will be brought forward to fiscal year 2012. REVB and EXPB records will be created in fiscal year 2012 for all active records in fiscal year 2011 for trust and bond funds.
b) NJCFS will be down from June 30, 2011, 5 p.m. until July 1, 2011 10 a.m. |
| July 29, 2011 | a) Travel pre-encumbrances (TEs, THs) will be converted to Agency Orders (AOs). |

Note: TVs processed after this date must reference the converted agency orders (AOs).

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|----|--|
| b) | Pre-encumbrances (RAs, RPs, and RDs) will be canceled for all non-trust and bond accounts. |
| c) | Year-end program will run against fiscal year 2011 accounts. Free balances will lapse or carry forward, depending on the appropriation language. |

- d) NJCFS will be down from July 29, 2011, 5 p.m. until August 1, 2011, 1:00 p.m.

B. Cancellation of Pre-encumbrances

On July 29, 2011 after the close of business, OMB will cancel all pre-encumbrances (RAs, RPs and RDs) in non-continuing appropriation accounts within the General Fund. In anticipation of this action, agencies are encouraged to convert pre-encumbrances that represent legitimate 2011 obligations to encumbrances with proper vendor numbers prior to July 29, 2011. Uncommitted balances created by canceled pre-encumbrances will either lapse or carry forward in accordance with the appropriation type on the appropriation record.

C. Deficit Balances

Chapter 131, P.L. 1989 established a penalty of prison or fines for purposely and knowingly over expending an appropriation. Any fiscal officer, business manager, or director of administration could be held liable under Chapter 131, P.L. 1989 if salary accounts (or any other accounts) are allowed to go into deficit without immediate corrective action. Therefore, it is the responsibility of each fiscal officer to make certain that no fiscal year 2011 appropriation account closes the fiscal year with a negative unobligated balance. Agency fiscal officers should not rely on last minute processing of transfers and other accounting documents to relieve deficits. Preparation and submission of deficit relieving documents should begin immediately upon receipt of this circular. Because of the time constraints involved, all transfers requiring OLS approval must be submitted to OMB no later than July 8, 2011.

All deficits on the Appropriation Table must be resolved by July 29, 2011. OMB does not require the elimination of deficits on the Expense Budget Table.

D. Exemption from Fringe Benefit Charges

In order for any non-state funded salary account to be, considered exempt in fiscal year 2012 from applicable fringe benefit charges according to Circular 94-09-OMB, new/expired requests for such exemption must be submitted to the Director, OMB for approval prior to July 29, 2011.

E. Indirect Cost Exemptions

Effective July 1, 2011 all existing waivers for the recovery of indirect costs will be canceled. If a waiver is desired, a new request must be submitted to the Director, OMB for approval. The waiver request must provide justification for the exemption, the dollar amount of the exemption, and the funding source. All waivers will be for one fiscal year only.

F. Intra-governmental

1. Treasury - Division of Administration (Treasury Fiscal)

Treasury Fiscal requests that agencies process payments by July 29, 2011 to cover any actual or projected deficits. Central services administered by Treasury Fiscal are telephone, motor pool, postage, print shop, rent, Distribution Center, and line of credit.

Note: Please advise OMB Financial Reporting of any material transactions not processed and recorded by July 29, 2011.

2. Office of Information Technology (OIT)

The Office of Information Technology requires that all agencies with outstanding balances for services provided by OIT process payments on or before Friday, July 22, 2011. Payment

account information to OIT can be found on agency invoices located in the Cost Allocation and Recovery System.

3. Department of Corrections (DEPTCOR)

The process to encumber funds payable to DEPTCOR (State Use Industries) if funding is not encumbered through MACS-E purchase order type "STU" is as follows:

- a) Process an encumbrance (AO) with an intra-governmental indicator of "Y."
- b) Process an intra-governmental payment voucher (AV) in accordance with the provisions of Circular 95-08-OMB, referencing the intra-governmental encumbrance.

Note: BFY 11 must be referenced in the header of the AV transaction for payment to be credited to the seller account.

- c) The seller account on the AV transaction will be as follows:

<u>BFY</u>	<u>Fund</u>	<u>Agcy</u>	<u>Orgn</u>	<u>AP Unit</u>	<u>Actv</u>	<u>Rev Src</u>
11	100	026	7020	001		3769

- d) The description must be the invoice number from DEPTCOR.

G. Accounting Periods

Please refer to the chart below for the correct assignment of accounting periods.

<u>MONTH</u>	<u>FISCAL YEAR</u>	<u>ACCOUNTING PERIOD</u>
May	11 and earlier 12	11 11 01 12
June	11 and earlier 12	12 11 01 12
July	11 and earlier 12	12 11 01 12


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Director